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Report

drawn up on behalf of the Committee on Regional Policy and Transport

on the proposal from the Commission of the European Communities to the Council (doc. 275/72) for a Regulation supplementing Council Regulation (EEC) Nr 1191/69 of 26 June 1969 on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway

Rapporteur: Mr K.-H. MURSCH

PE 32.697/fin.

By letter of 24 January 1973, the President of the Council of the European Communities requested the European Parliament, pursuant to Article 75 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation supplementing Regulation (EEC) No. 1191/69 of 26 June 1969 of the Council concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway (Doc.275/72).

On 31 January 1973 the President of Parliament referred this proposal to the Committee on Regional Policy and Transport as the committee responsible.

The Committee on Regional Policy and Transport appointed Mr Karl-Heinz MURSCH rapporteur on 11 April 1973. It discussed this proposal at its meeting of 11 April 1973 and adopted the report, together with the motion for a resolution, unanimously.

The following were present: Mr James Hill, chairman; Mr Kollwelter and Mr Seefeld, vice-chairmen; Mr Mursch, rapporteur; Mr Bos (deputizing for Mr Colin), Lord Brecon, Mr Delmotte, Mr Herbert, Mr Johnston, Mr Mitterdorfer, Mr Pounder and Mr Schwabe.

C O N T E N T S

Page

A. Motion for a resolution	5
B. Explanatory statement	6

The Committee on Regional Policy and Transport hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement :

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation supplementing Regulation (EEC) No. 1191/69 of the Council of 26 June 1969 on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM(72)1516/fin.) ;
 - having been consulted by the Council pursuant to Article 75 of the EEC Treaty (Doc.275/72) ;
 - having regard to the report by the Committee on Regional Policy and Transport (Doc.28/73) ;
1. Considers that by not including certain transport undertakings and services in its field of application, Regulation No. 1191/69 created to their detriment some distortion in competition ;
 2. Accordingly approves the Commission's proposal for achieving greater harmonization in the conditions of competition by extending the scope of this regulation ;
 3. Invites the Commission to examine the possibility of further extending the scope of this regulation beyond the limits envisaged in this proposal ;
 4. Instructs its President to forward this resolution together with the report of its committee to the Council and the Commission of the European Communities.

EXPLANATORY STATEMENT

1. Pursuant to its decision of 13 May 1965 on the harmonization of certain provisions affecting competition in transport¹, the Council adopted Regulation (EEC) No. 1191/69² of 26 June 1969 on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway.

2. The European Parliament approved this regulation on 14 March 1968³ on the basis of a report drawn up by Mr RIEDEL on behalf of the Transport Committee⁴.

The rapporteur recognized that the obligations inherent in the concept of public service are liable to distort conditions of competition between the various means of transport and between transport undertakings and that it was advisable to abolish them. Where they have to be maintained to ensure adequate transport services, compensation for the related charges must be paid in accordance with common methods.

In the rapporteur's view, the regulation, which covered both these aspects of the problem, was 'a bold move towards more rational conditions of transport governed to a greater extent by competition.'⁵

3. However, the regulation in question does not apply to all transport undertakings (Article 19, para.1 and 2); the main exceptions are non-national railways and those road and inland waterway undertakings providing essentially local or regional services.

But Article 19 (3) provides that the Council should, decide within three years what action should be taken with regard to transport services not covered by the regulation adopted on 26 June 1969.

¹ Decision No. 65/271 - OJ No. 88, 24 May 1965

² OJ No. L 156, 28 June 1969

³ OJ No. C 27, 28 March 1968

⁴ Doc. 203 of 1 March 1968

⁵ Doc. 203 of 1 March 1968 - page 19 - point 10

4. The proposed regulation¹ relates to transport undertakings providing these services. It is based on the principle that similar procedures must apply in similar situations.

The transport undertakings and services which are in a similar position to those already covered by Regulation No. 1191/69 are subject to the provisions of that regulation. It is thus essentially a question of extending the scope of the first regulation.

5. This would apply to those railway undertakings, other than national railways, with an operational network linked to the national network or competing with transport undertakings governed by Regulation No. 1191/69.

The alternate services introduced by railway undertakings applying a different transport technique are also included in the scope of the first regulation.

6. Finally, certain categories of road and inland waterway transport of a local or regional character, not included in the regulation, are subject to its provisions if they compete with forms of transport covered by that regulation.

7. Article 1 of the proposal is a redraft of Article 19 of Regulation No. 1191/69, extending its scope in the manner described.

8. Article 2 adjusts the time limits specified in the first regulation for the new undertakings concerned. The time periods allowed are fairly long so that the local bodies concerned can make the required technical adjustments. These time limits were originally provided for in the basic regulation No. 1191/69. This regulation came into force on 1 July 1969 and the supplementary regulation will take effect on 1 July 1973, i.e. four years later.

The basic regulation specified time limits for the claiming of compensation (Article 6 (3) and Article 9 (2)) and extensions thereof (Article 6 (4) and Article 9 (2)); These have been logically extended by four years for the new undertakings covered by the regulation of 26 June 1969.

9. The Committee on Regional Policy and Transport approves of this move to achieve greater harmonization of the conditions of competition, agreeing that Regulation No. 1191/69, by not including certain transport undertakings and services in its field of application, created to their detriment some distortion in competition which this proposal now seeks to eliminate.

¹ Doc. 275/72

